



BUREAU VAN DIJK

M&A Review

Biotech

June 2017



The following report details mergers and acquisitions activity in the biotech sector in June 2017 using data from the Zephyr database.

It focuses on global deals activity by target company within the cleantech sector.

Click [here](#) to access the raw data in an Excel spreadsheet.

Biotech PE, VC and DC value soared to record high

The value of private equity, venture capital and development capital (PE, VC and DC) investment in global biotech companies in June was the highest on record at USD 6,001 million as overall dealmaking was boosted substantially by one USD 5,000 million institutional buyout which represented 83 per cent of the month's total value.

Value was 19 times higher month-on-month, from USD 323 million in May, against a 4 per cent increase by volume from 47 deals in May to 49 deals.

In a year-on-year comparison, volume advanced at a faster rate of more than a fifth from 40 deals in June 2016 and though it was not a 12-month high, it was one of the highest recorded for the 12 months under review (September 2016: 54; March 2017: 56).

Private equity, venture capital and development capital deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jun-17	49	6,001
May-17	47	323
Apr-17	26	173
Mar-17	56	468
Feb-17	32	398
Jan-17	47	634
Dec-16	49	648
Nov-16	43	556
Oct-16	37	199
Sep-16	54	463
Aug-16	42	2,834
Jul-16	46	758
Jun-16	40	351



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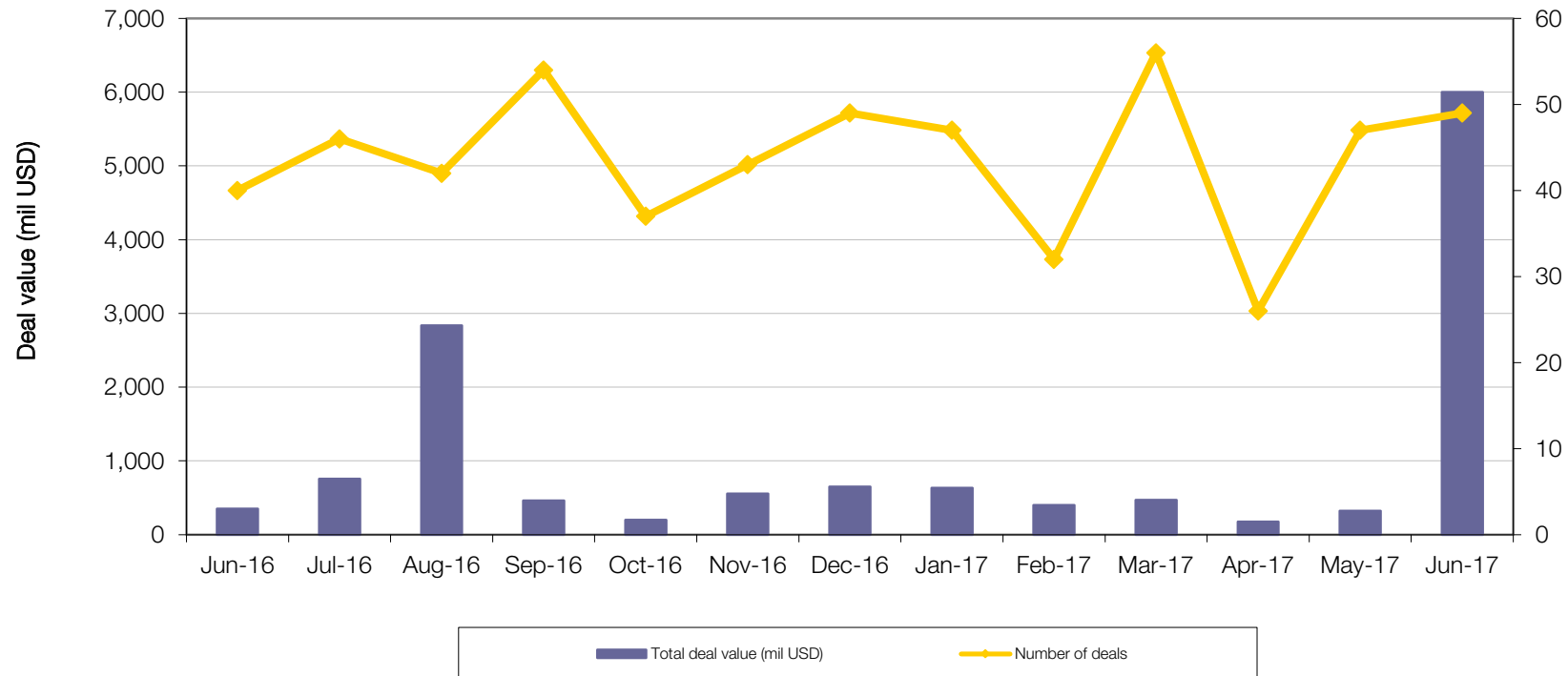
m&a research catalyst



Combining deal and company data



Private equity, venture capital and development capital deals by volume and value





North American biotechs accounted for June's most notable deals

Biotech companies based in North America were the main targets of high-value PE, VC and DC dealmaking in June, accounting for the four largest investments of the month, though Pamplona Capital Management's institutional buyout of Parexel was by far and away the largest at USD 5,000 million.

It was more than nine times the value of the second-biggest PE, VC and DC deal of the month which, at USD 552 million, was the only other investment worth more than USD 500 million in June. Bank of China Group and Shanghai Boying Investment Partnership Enterprise have teamed up to acquire SciClone Pharmaceuticals, which is incorporated in Delaware and headquartered in California but is focused mainly on the Chinese market.

There was a huge gap in value between the month's second- and third-largest deals; Canadian cancer drug developer Repare Therapeutics raised USD 68 million in a series A funding round from Versant Venture Management and MPM Capital, with participation from Fonds de Solidarité des Travailleurs du Quebec, Celgene Switzerland, and BDC Health Venture Fund, which is managed by the Business Development Bank of Canada.

Without exception, the remaining top 20 deals were funding rounds, the majority of which targeted US biotech companies, though those in the UK (NightStaRx), Israel (Gamida Cell) and South Korea (Orum Therapeutics) did feature and they drew backing from the likes of New Enterprise Associates, Wellington Management, Novartis BioVentures, Intervest and Solidus Investment, among others.

Renewed PE, VC and DC interest in UK, Israeli and Dutch biotechs

PE, VC and DC investment in North American companies surpassed that of any other region in June as dealmaking targeting the US and Canada advanced month-on-month and year-on-year - hardly surprising considering companies based in the two countries accounted for the month's top four deals by value.

In all, US companies announced 40 PE, VC and DC-backed deals worth a combined USD 5,825 million over the four weeks, compared to 36 deals totalling USD 171 million in May and 29 deals aggregating at USD 301 million in June 2016.

Biotechs based in Canada signed off on 3 deals worth USD 74 million, which was an improvement month-on-month (May: 2 deals; USD 1 million) but represented a decline by volume from 4 deals valued at USD 12 million in June 2016.

Companies based in the UK, Israel, South Korea and the Netherlands also attracted PE, VC and DC investment in June as investors turned their focus away from biotechs in China, France, Australia, Switzerland and Germany. In fact, a month-on-month increase was recorded in the volume and value of PE, VC and DC activity targeting companies in three of these countries – with South Korea being the exception.



Private equity, venture capital and development capital deals by value

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	General Partner/Fund Manager	Deal status
1.	5,000	IBO 100%	PAREXEL International Corporation	Biopharmaceutical research and development services holding company, Clinical trials management services holding company, Contract biopharmaceuticals research and development services holding company, Contract pharmaceuticals research and development services holding company, Pharmaceuticals manufacturer holding company	US	Pamplona Capital Management LLP	Pending
2.	552	IBO 91%	SciClone Pharmaceuticals Inc.	Biopharmaceuticals developer, Biopharmaceuticals manufacturer	US	Bank of China Group Investment Ltd; Shanghai Boying Investment Partnership Enterprise (LP)	Announced
3.	68	Minority stake	Repare Therapeutics Inc.	Cancer drug developer	CA	MPM Capital LP; Versant Venture Management LLC; Fonds de Solidarite des Travailleurs du Quebec; Celgene Switzerland LLC; The Business Development Bank of Canada	Completed
4.	50	Minority stake	LogicBio Therapeutics Inc.	Gene therapies research and development services	US	OrbiMed Advisors LLC; Edmond de Rothschild Investment Partners SA; Pontifax Ltd; Arix Bioscience plc	Completed
5.	45	Minority stake	NightstaRx Ltd	Clinical-stage choroideremia treatment biopharmaceutical drugs research and development services	GB	New Enterprise Associates Inc.; Wellington Management Company LLP; Redmile Group LLC; Syncona Partners LLP	Completed
6.	40	Minority stake	Gamida Cell Ltd	Expanded stem cell therapy developer, Pharmaceutical manufacturer	IL	Clal Biotechnology Industries Ltd; Novartis BioVentures Ltd; Israel Healthcare Ventures Ltd; GlenRock Israel Ltd; Israel Biotech Fund GP Partners LP; VMS Investment Group Ltd	Completed
7.	27	Minority stake	Monteris Medical Inc.	Biotechnology	US	Sequoia Capital Operations LLC; Sightline Partners LLC; Birchview Capital LP; The Business Development Bank of Canada	Completed
8.	18	Minority stake	Syntimmune Inc.	Biotechnology	US		Completed
9.	17	Minority stake	Sofie Biosciences Inc.	Molecular imaging device developer	US		Announced
10.	16	Minority stake	Alzheon Inc.	Alzheimer's disease and other neurodegenerative disorders biotechnology research	US		Completed



Private equity, venture capital and development capital deals by value (Cont'd)

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	General Partner/Fund Manager	Deal status
11.	15	Minority stake	Imvax Inc.	Biotechnology	US		Completed
12.	12	Minority stake	Swift Biosciences Inc.	Molecular biology research services, Pharmaceutical manufacturer	US		Completed
13.	12	Minority stake	Arbor Biotechnologies Inc.	Biotechnology	US		Completed
14.	12	Minority stake	Aziyo Biologics Inc.	Biotechnology	US		Completed
15.	11	Minority stake	Cofactor Genomics Inc.	Ribonucleic acid (RNA) gene sequencing and genome assembly diagnostic services	US		Completed
16.	11	Minority stake	Whole Biome Inc.	Biotechnology	US		Completed
17.	10	Minority stake	Tusker Medical Inc.	Biotechnology	US		Completed
18.	10	Minority stake	Aquaro Histology Inc.	Biotechnology	US		Completed
19.	8	Minority stake	Instylla Inc.	Biotechnology	US		Completed
20.	8	Minority stake	Orum Therapeutics Inc.	Genetic diseases and cancer treatment products development services, Therapeutic antibodies research and development services	KR	LB Investment Inc.; KB Investment Co., Ltd; Interest Co., Ltd; Solidus Investment Co., Ltd	Completed



Target countries by volume - private equity, venture capital and development capital deals

Target country	Jun-16	May-17	Jun-17
US	29	36	40
Canada	4	2	3
UK	2	0	3
Netherlands	0	0	1
Israel	0	0	1
South Korea	0	1	1

Target countries by value - private equity, venture capital and development capital deals

Target country	Jun-16 (mil USD)	May-17 (mil USD)	Jun-17 (mil USD)
US	301	171	5,825
Canada	12	1	74
UK	16	0	46
Israel	0	0	40
South Korea	0	11	8
Netherlands	0	0	7



Private equity, venture capital and development capital investors

	Company name	Number of deals	Number with consideration	Total deal value (mil USD)	Average deal value (mil USD)
1	Pamplona Capital Management LLP	1	1	5,000	5,000
2	Shanghai Boying Investment Partnership Enterprise (LP)	1	1	552	552
3	Bank of China Group Investment Ltd	1	1	552	552
4	Versant Venture Management LLC	1	1	68	68
5	Fonds de Solidarite des Travailleurs du Quebec	1	1	68	68
6	Celgene Switzerland LLC	1	1	68	68
7	MPM Capital LP	1	1	68	68
8	The Business Development Bank of Canada	1	1	68	68
9	Edmond de Rothschild Investment Partners SA	1	1	50	50
10	Arix Bioscience plc	1	1	50	50
11	OrbiMed Advisors LLC	1	1	50	50
12	Pontifax Ltd	1	1	50	50
13	New Enterprise Associates Inc.	1	1	45	45
14	Syncona Partners LLP	1	1	45	45
15	Redmile Group LLC	1	1	45	45
16	Wellington Management Company LLP	1	1	45	45
17	VMS Investment Group Ltd	1	1	40	40
18	GlenRock Israel Ltd	1	1	40	40
19	Israel Healthcare Ventures Ltd	1	1	40	40
20	Clal Biotechnology Industries Ltd	1	1	40	40
21	Novartis BioVentures Ltd	1	1	40	40
22	Israel Biotech Fund GP Partners LP	1	1	40	40



Seven M&A deals top USD 100mn in June

The value of mergers and acquisitions (M&A) targeting global biotech companies rose for the fourth consecutive month to USD 8,152 million in June, representing the third-highest recorded for the last 12 months under review (January 2017: USD 39,491 million; August 2016: USD 19,064 million).

Value was propped up by seven deals each worth more than USD 100 million and which together accounted for 85 per cent of the month's total.

Conversely, volume fell in June to 125 deals from 139 deals in May, though it was up on the 112 deals announced during June 2016, following an increased interest in dealmaking by biotech companies based in the US, Japan, China, South Korea and Sweden, among others, over the 12 months.

Companies based in the US accounted for the majority of June's top 20 deals by value, led by the institutional buyout of Parexel for USD 5,000 million and followed by the PE-backed acquisition of SciClone for USD 552 million. In all US companies announced 62 deals worth a combined USD 7,032 million over the four weeks.

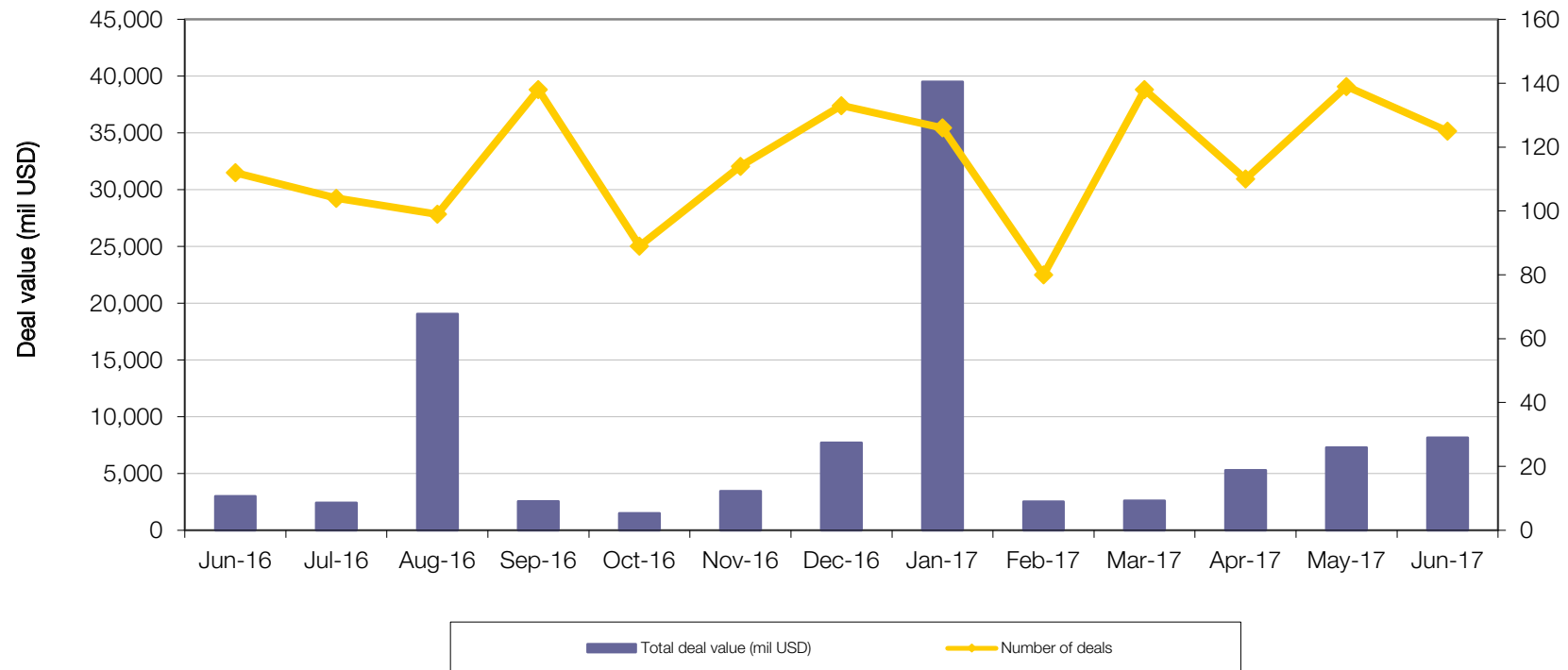
Chinese companies were the next main targets by value after signing off on 10 deals worth USD 508 million in June, though the country was overtaken by Japan in terms of volume (12 deals; USD 95 million).

Deals by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jun-17	125	8,152
May-17	139	7,277
Apr-17	110	5,299
Mar-17	138	2,596
Feb-17	80	2,511
Jan-17	126	39,491
Dec-16	133	7,721
Nov-16	114	3,437
Oct-16	89	1,503
Sep-16	138	2,550
Aug-16	99	19,064
Jul-16	104	2,412
Jun-16	112	2,987



Deals by volume and value





Top 20 deals by value

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	Acquiror	Announced date
1.	5,000	IBO 100%	PAREXEL International Corporation	Biopharmaceutical research and development services holding company, Clinical trials management services holding company, Contract biopharmaceuticals research and development services holding company, Contract pharmaceuticals research and development services holding company, Pharmaceuticals manufacturer holding company	US	West Street Parent LLC	20/06/2017
2.	552	IBO 91%	SciClone Pharmaceuticals Inc.	Biopharmaceuticals developer, Biopharmaceuticals manufacturer	US	Silver Biotech Investment Ltd	08/06/2017
3.	400	Capital Increase 9%	bluebird bio Inc.	Gene therapies for severe genetic disorders research and development services, Gene therapies for severe genetic disorders treatment manufacturer	US		26/06/2017
4.	352	Acquisition 80%	Wuhan Zhong Yuan Rui De Biological Products Co., Ltd	Blood products and other biological products manufacturer	CN	CSL Ltd	13/06/2017
5.	245	Capital Increase 6%	Exact Sciences Corporation	Colorectal cancer tests developer, Early detection of colorectal cancer biological research services	US		06/06/2017
6.	235	Capital Increase 11%	AveXis Inc.	Clinical-stage gene therapies research and development services	US		20/06/2017
7.	146	Capital Increase	Tecon Biology Co., Ltd	Animal feed manufacturer, Biological medicine and animal drug manufacturer, Veterinary drug manufacturer	CN		24/06/2017
8.	80	Acquisition 100%	Laboratorios Diafarm SA	Ecological food products manufacturer, Medicinal and botanical pharmaceutical products manufacturer, Vitamin products manufacturer	ES	Faes Farma SA	09/06/2017
9.	73	Capital Increase 46%	4SC AG	Cancer and autoimmune molecule pharmaceuticals research services	DE	Investors	12/06/2017
10.	68	Minority stake	Repare Therapeutics Inc.	Cancer treatment oncology drugs developer	CA	MPM Capital LP; Versant Venture Management LLC; Fonds de Solidarite des Travailleurs du Quebec; Celgene Switzerland LLC; BDC Health Venture Fund	22/06/2017



Top 20 deals by value (Cont'd)

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	Acquiror	Announced date
11.	58	Capital Increase 10%	Akebia Therapeutics Inc.	Kidney disease biopharmaceuticals developer	US		28/06/2017
12.	52	Minority stake 6%	Acorda Therapeutics Inc.	Neurological disorder therapeutics biotechnology research and development services, Neurological disorder therapeutics manufacturer	US	Partner Fund Management LP	27/06/2017
13.	50	Minority stake	LogicBio Therapeutics Inc.	Gene therapies research and development services	US	OrbiMed Advisors LLC; Edmond de Rothschild Investment Partners SA; Pontifax Ltd; Aris Bioscience plc; SBI Japan-Israel Innovation Fund	27/06/2017
14.	45	Minority stake	NightstaRx Ltd	Clinical-stage choroideremia treatment biopharmaceutical drugs research and development services	GB	New Enterprise Associates Inc.; Wellington Management Company LLP; Redmile Group LLC; Syncona Partners LLP	29/06/2017
15.	40	Minority stake	Gamida Cell Ltd	Expanded stem cell therapy developer, Pharmaceutical manufacturer	IL	Clal Biotechnology Industries Ltd; Novartis BioVentures Ltd; Israel Healthcare Ventures Ltd; Shavit Capital Fund; Israel Biotech Fund; VMS Investment Group Ltd	19/06/2017
16.	38	Capital Increase 23%	Spring Bank Pharmaceuticals Inc.	Clinical-stage small molecule nucleic acid hybrid therapeutics developer	US		21/06/2017
17.	29	Acquisition 100%	ArborGen Inc.	Forestry biotechnology development services	US	Rubicon Ltd	29/06/2017
18.	28	Minority stake 6%	CytomX Therapeutics Inc.	Oncology-focused antibody therapeutics development services	US	BVF Partners LP	19/06/2017
19.	27	Minority stake	Monteris Medical Inc.	Biotechnology	US		01/06/2017
20.	26	Acquisition 100%	Dendritic Nanotechnologies Inc.; Starpharma Holdings Ltd's unnamed Australian subsidiary	Biotechnology research and development services, Dendrimers manufacturer; Biotechnology research and development services, Dendrimer products manufacturing, Life sciences research and development services	US; AU	Loveland Products Inc.	13/06/2017



Target countries by volume

Target country	Jun-16	May-17	Jun-17
US	59	74	62
Japan	1	10	12
China	6	12	10
Canada	15	8	8
Australia	6	3	5
UK	7	3	5
South Korea	0	3	4
Sweden	0	1	3
Germany	1	5	2
Taiwan	1	0	2
France	4	2	2
India	1	2	1
Israel	0	0	1
Spain	3	1	1
Iran	0	0	1
Ireland	1	1	1
New Zealand	0	0	1
Hong Kong	0	0	1
Netherlands	0	2	1
Switzerland	1	4	1
Colombia	0	0	1
Italy	2	0	1

Target countries by value

Target country	Jun-16 (mil USD)	May-17 (mil USD)	Jun-17 (mil USD)
US	1,829	6,353	7,032
China	89	257	508
Japan	3	42	95
Canada	36	44	90
Spain	80	8	80
UK	97	17	74
Germany	25	12	73
Israel	0	0	40
South Korea	0	69	40
Australia	679	6	36
France	13	41	30
Taiwan	98	0	28
Sweden	0	12	21
New Zealand	0	0	13
Hong Kong	0	0	12
Netherlands	0	39	7



IPOs by volume and value

Announced date	No of deals	Total deal value (mil USD)
Jun-17	7	387
May-17	4	83
Apr-17	4	180
Mar-17	3	85
Feb-17	1	51
Jan-17	2	259
Dec-16	6	1,009
Nov-16	1	3
Oct-16	3	1,962
Sep-16	4	349
Aug-16	2	52
Jul-16	1	57
Jun-16	4	172



June IPOs

	Deal value (mil USD)	Deal type	Target	Target business description	Target country	Deal status	Announced date
1.	115	Planned IPO on Nasdaq	Clementia Pharmaceuticals Inc.	Clinical stage fibrodysplasia ossificans progressiva (FOP) therapeutic developer	CA	Announced	29/06/2017
2.	96	Planned IPO 26% on Nasdaq	Kala Pharmaceuticals Inc.	Mucosal barriers biotechnology therapeutics manufacturer, Nanoparticle-based treatments for ocular diseases pharmaceutical manufacturer	US	Announced	23/06/2017
3.	69	Planned IPO 16% on Nasdaq	Dova Pharmaceuticals Inc.	Orphan diseases biopharmaceuticals manufacturer, Orphan diseases biopharmaceuticals research and development services	US	Announced	02/06/2017
4.	56	Planned IPO 25% on Nasdaq	Aileron Therapeutics Inc.	Biopharmaceuticals developer	US	Announced	02/06/2017
5.	51	Planned IPO 25% on Shenzhen Stock Exchange	Wuhan Sunhy Biology Co., Ltd	Enzyme protein (animal feeds use) manufacturer	CN	Pending	09/06/2017
6.	n.a.	IPO on National Equities Exchange and Quotations	Liaoning Baoli Jiahua Biomedical Technology Co., Ltd	Enzyme products manufacturer	CN	Completed	09/06/2017
7.	n.a.	IPO on Nasdaq OMX Stockholm	Saniona AB	Central nervous system and autoimmune diseases treatment products developer, Central nervous system and autoimmune diseases treatment research services	SE	Completed	15/06/2017

Notes to editors

The search criteria uses a key word system based on the targets' business description

The key words and phrases are: "biotechnology" OR "antimicrobial" OR "CNS" OR "neurotransmitter" OR "cardiovascular" OR "blood system agent" OR "cell control agent" OR "dermatological" OR "genetic" OR "hormone" OR "immunomodulator" OR "Ion Channel" OR "modulat" OR "metabolic" OR "musculoskeletal" OR "renal system" OR "reproductive" OR "respiratory" OR "diagnostic" OR "gastrointestinal" OR "degeneration" OR "endocrine" OR "growth disorder" OR "gynecology" OR "obstetrics" OR "haematological" OR "neurological" OR "neoplasm" OR "neurological" OR "nutritional" OR "psychiatric" OR "toxicity" OR "ulcer" OR "genitourinary" OR "oncology" OR "biological" OR "clinical" OR "biomedical" OR "bioinformatics" OR "cheminformatics" OR "biologicgenerics" OR "genetics" OR "genomics" OR "transgenic" OR "protein" OR "RNA" OR "DNA" OR "enzyme" OR "fermentation" OR "oncogenomics" OR "proteomics" OR "nanobiotechnology" OR "Gene" OR "Central nervous system" OR "Cloning" OR "genome" OR "genotyping" OR "molecular" OR "microbiology" OR "animal cell culture" OR "biochemistry" OR "embryology" OR "cell biology" OR "Tissue Engineering" OR "Stem Cell" OR "Pharmacogenomics" OR "Escherichia Coli" OR "E. Coli" OR "Embryos" OR "molecule" OR "transgenic" OR "biotechnology" OR "biotech" OR "bio tech" OR "biopharmaceuticals" OR "micropropagation" OR "biobased products" OR "biopharming" OR "biotechnology-derived" OR "bt corn" OR "chromosomes" OR "embryonic stem cells" OR "fibroblast" OR "molecular biology" OR "mutation" OR "nucleotide" OR "organic agriculture" OR "phenotype" OR "plant-incorporated protectants" OR "pollen" OR "tissue culture" OR "transfection" OR "virus" OR "vitamin" OR "xenotransplantation" OR "zygote"

Activity is based on the activity of the target company

Deal status is announced, completed, pending or unconditional